

**REMARKS**

Claims 1-17 and 21-30 are pending. No new matter has been added by way of the present amendments. For instance, claim 1 has been amended to reference SEQ ID NO:1 and to include language to characterize the nucleotides of the middle 8 bp spacer region. Claims 4-7 now require an "isolated" DNA and claims 8-10 and 21 require the phrase "in vitro". Claim 18 has been cancelled. Lastly, improper multiple dependencies have been removed from claims 11-17 and 22 by way of amendments to remove dependency upon claim 10. This subject matter removed from claims 11-17 and 22 has been added as new claims 23-30, respectively. Accordingly, no new matter has been added.

Applicants further submit that no new issues have been raised by way of the present submission which would require additional search and/or consideration on the part of the Examiner. In particular, the present claims have simply been clarified or amended to remove issues. Therefore, no "new issues" are raised.

In the event that the present submission does not place the application into condition for allowance, entry thereof is respectfully requested as placing the application into better form for appeal.

Objections to the Claims

The Examiner has rejected claims 11-17 and 22 as improper multiple dependent claims because they depend either directly or indirectly from a multiple dependent claim. In view of the present amendments, these objections are moot. Reconsideration and withdrawal thereof are respectfully requested.

Issues under 35 U.S.C. § 101

The Examiner has rejected claims 4-7 as being directed to non-statutory subject matter. Applicants traverse and submit that claims 4-7 now require an "isolated DNA." Therefore, this rejection is moot. Reconsideration and withdrawal thereof are respectfully requested.

Issues under 35 U.S.C. § 112, first paragraph

The Examiner has rejected claims 8, 9, 10, 18 and 21 since the specification allegedly does not enable the method practiced *in vivo*, a cell transformed with the DNA of the invention *in vivo* or a transgenic animal comprising the DNA of the invention. Applicants respectfully traverse and submit that each of claims 8-10 and 21 relate to an "*in vitro*" method, e.g., either a reaction taking place in a test tube or in a cultured cell. Further, claim 18, which is related to a transgenic animal, is cancelled. Accordingly, this rejection is moot. Reconsideration and

withdrawal thereof are respectfully requested.

"New Matter" Issues under 35 U.S.C. § 112, first paragraph

The Examiner has rejected claims 1, 3-10, 18 and 21 for allegedly incorporating "new matter" that was not disclosed in the specification. In particular, the Examiner asserts that the specification only supports mutations in the spacer region (mutant FRT spacers of SEQ ID NOS:2-5), but not mutations in the inverted repeat regions that flank the 8 bp spacer. Applicants traverse and submit that claim 1 has been amended to reference the location of the mutations as being within the 8 bp spacer region. Thus, this rejection is moot. Reconsideration and withdrawal thereof are respectfully requested.

The Examiner has also rejected claim 18 for reciting a "non-human animal". Claim 18 is cancelled, thus, this rejection is moot. Reconsideration and withdrawal of this rejection are therefore requested.

Issues under 35 U.S.C. § 112, second paragraph

The Examiner has rejected claims 2, 3, 6, 7, 10 and 21 under 35 U.S.C. § 112, second paragraph as alleged indefinite because claim 2 recites nucleotide positions 14-21 without antecedent basis. Applicants traverse. Based upon the amendments to claim 1, positions 14-21 recited in claim 2 are fully definite. That is,

these positions can be readily determined by referencing SEQ ID NO:1, now recited in claim 1. Accordingly, this rejection is moot. Reconsideration and withdrawal thereof are respectfully requested.

In view of the above, Applicants respectfully submit that the present application is in condition for allowance. Accordingly, the Examiner is respectfully requested to withdraw all rejections and allow the currently pending claims.

Should there be any outstanding matters that need to be resolved in the present application, the Examiner is respectfully requested to contact Craig A. McRobbie, Reg. No. 42, 874 at the telephone number of the undersigned below, to conduct an interview in an effort to expedite prosecution in connection with the present application.

If necessary, the Commissioner is hereby authorized in this, concurrent, and future replies, to charge payment or credit any overpayment to Deposit Account No. 02-2448 for any additional fees required under 37 C.F.R. §§ 1.16 or 1.17; particularly, extension of time fees.

Respectfully submitted,

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